GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:3597
ANSWERED ON:23.03.2017
Levy of Charges/Cess on Airlines
Bhatt Smt.Ranjanben;Rao (Avnthi) Shri Muthamsetti Srinivasa

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Delhi International Airport Pvt. Ltd., has been levying 96% higher charges on airlines which are passed on to flyers as overpriced fares;

(b) if so, the details thereof;

(c) whether the Ministry proposes to refund the excess amount collected from airlines and individual fliers, if so, the details thereof and the manner in which it is likely to be done;

(d) whether the Government proposes to impose cess on the major airlines; and

(e) if so, the details thereof and the reasons therefor?

Answer

Minister of State in the Ministry of CIVIL AVIATION

(Shri Jayant Sinha)

(a) & (b): Government of India has established an independent regulator namely, Airport Economic Regulatory Authority (AERA) through the AERA Act, 2008 to regulate tariff and other charges for the aeronautical services rendered at major airports in the country. Exercising its powers conferred under the Act, AERA has determined the Aeronautical Tariff in respect of Indira Gandhi International Airport, Delhi for the second control period (01.04.2014 to 31.03.2019) vide Order No. 40/2015-16 dated 10.12.2015 with decrease of 89.4% in tariff. However, the tariff order could not be implemented on the directions of the Hon"ble High Court of Delhi which has permitted DIAL to charge the tariff applicable for the first control period (01.04.2009 to 31.03.2014). ;

(c) While determining the tariff, AERA considers truing up of any over-recovery made by the airport operator which results in the reduced passenger charges whenever the tariff order comes into force.

(d) & (e): Ministry of Civil Aviation, vide order dated 9th November, 2016, has decided to impose a levy on scheduled flights operating within India to fund Regional Air Connectivity Fund (RCF), in the following manner:;

(i) Rs. 7,500 with stage length upto 1,000 km.;
(ii) Rs. 8,000 with stage length more than 1,000 km to 1,500 km and
(iii) Rs. 8,500 with stage length above 1,500 km.;

However, following flights shall be exempted from the said levy:;
(i) Flights operated on CATII/CATIIA routes as specified in Route Dispersal Guidelines issued under Rule 134(1A).;
(ii) Flights operated on RCS routes.;
(iii) Flights operated with aircraft having maximum certified take off mass not exceeding 40,000 kg.